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**PRESS
RELEASE**

A.M. Best revises ratings of European insurers due to continued pressure on eurozone debt. Generali rating from A+ to A

Trieste – A.M. Best, the rating agency, revised the ratings of a number of European insurers and reinsurers as a result “of the continued negative developments regarding the eurozone sovereign debt crisis”. Among these, the agency revised Generali rating to A (Excellent) from A+ (Superior). The rating is still under review with negative implications.

Please find below the original press release by A.M. Best.

A.M. Best Downgrades Ratings of Generali and Its Main Subsidiaries; Maintains Under Review with Negative Implications

LONDON, 14 December 2011—As a result of the continued negative developments regarding the eurozone sovereign debt crisis, **A.M. Best Europe – Rating Services Limited** is taking rating actions on a number of European (re)insurers. Amongst them, A.M. Best has downgraded the financial strength rating (FSR) to A (Excellent) from A+ (Superior) and issuer credit rating (ICR) to “a” from “aa-” of **Assicurazioni Generali S.p.A.** (Generali) (Italy) and its main subsidiaries. All ratings remain under review with negative implications. (See below for a complete listing of companies and ratings.)

These rating actions were driven by Generali’s exposure to investments in several peripheral eurozone economies, Italy in particular.

A.M. Best’s rating actions on Generali and other European (re)insurers reflect their exposure to the continued deterioration of the sovereign creditworthiness of several eurozone countries and the negative economic outlook for the region. A.M. Best has been actively monitoring this crisis and released reports on related (re)insurers’ exposure in September and November of this year. The rationale for taking rating action at this point is largely attributable to the current level of credit and liquidity risk for insurers operating within the eurozone countries—most notably Italy and Spain. The perceived strain on the economies of these countries and companies operating within their borders is growing rapidly with very little evidence of a solution being formulated to address near-term concerns.

The ratings for Generali and its concerned subsidiaries will remain under review with negative implications while A.M. Best examines these companies’ exposure to a prolonged adverse economic environment within the eurozone. Of particular concern to A.M. Best is the exposure to Italy and Spain’s sovereign bonds and the potential for contagion into other asset classes, particularly holdings of European bank securities. In addition, A.M. Best will assess the likely impact of a prolonged financial crisis and recessionary environment on these carriers’ market position and ongoing business operations.

Upward rating pressures are unlikely at this point.

Negative rating actions could occur if there were a worsening of risk-adjusted capitalisation tied to investment losses or a deterioration of the operating environment in key territories.

The FSR has been downgraded to A (Excellent) from A+ (Superior) and the ICR to “a” from “aa-” and remain under review with negative implications for **Assicurazioni Generali S.p.A.** and its following subsidiaries:

- **Generali Deutschland Holding AG**
- **AachenMünchener Lebensversicherung AG**
- **AachenMünchener Versicherung AG**
- **Generali Lebensversicherung AG**

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- **COSMOS Lebensversicherungs-AG**
- **COSMOS Versicherung Aktiengesellschaft**
- **Central Krankenversicherung Aktiengesellschaft**
- **Generali Vie**
- **Generali IARD**

The ICR has been downgraded to “bbb” from “a-” and remains under review with negative implications for **Generali France S.A.**

The following debt ratings have also been downgraded and remain under review with negative implications:

Assicurazioni Generali S.p.A.—

- to “a-” from “a+” on EUR 1,750 million 5.125% senior unsecured notes, due 2024
- to “a-” from “a+” on EUR 750 million 4.875% senior unsecured notes, due 2014
- to “bbb+” from “a” on EUR 750 million 6.9% fixed/floating rate subordinated callable debentures, due 2022 (callable in 2012)
- to “bbb+” from “a” on GBP 495 million 6.416% fixed/floating subordinated rate perpetual debentures, callable in 2022
- to “bbb+” from “a” on GBP 350 million 6.269% fixed/floating subordinated rate perpetual debentures, callable in 2026

Generali Finance B.V. (guaranteed by Assicurazioni Generali S.p.A.) —

- to “a-” from “a+” on EUR 1,500 million 4.75% senior unsecured debentures, due 2014
- to “a-” from “a+” on EUR 500 million 3.875% senior unsecured notes, due 2015
- to “bbb+” from “a” on EUR 1,250 million 5.479% fixed/floating subordinated rate perpetual debentures, callable in 2017
- to “bbb+” from “a” on EUR 1,275 million 5.317% fixed/floating subordinated rate perpetual debentures, callable in 2016
- to “bbb+” from “a” on GBP 700 million 6.214% fixed/floating subordinated rate perpetual debentures, callable in 2016

The following indicative ratings on securities available under the EUR 7 billion medium-term note programme have been downgraded and remain under review with negative implications:

Assicurazioni Generali S.p.A. and Generali Finance B.V.—

- to “a-” from “a+” on all senior notes to be issued under the programme
- to “bbb+” from “a” on all subordinated and hybrid notes to be issued under the programme

The principal methodology used in determining these ratings is [Best's Credit Rating Methodology -- Global Life and Non-Life Insurance Edition](#), which provides a comprehensive explanation of A.M. Best's rating process and highlights the different rating criteria employed. Additional key criteria utilised include: “Risk Management and the Rating Process for Insurance Companies”; “Understanding Universal BCAR”; “Understanding BCAR for Property/Casualty Insurers”; “Rating Members of Insurance Groups”; “Natural Catastrophe Stress Test Methodology”; “Assessing Country Risk”; and “A.M. Best's Ratings & the Treatment of Debt”. Methodologies can be found at www.ambest.com/ratings/methodology.

In accordance with Regulation (EC) No. 1060/2009, the following is a link to required disclosures: [A.M. Best Europe - Rating Services Limited Supplementary Disclosure](#).

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The Generali Group is one of Europe's largest insurance providers and the biggest European Life insurer, with 2010 total premium income of more than €73 billion. It is also one of the world's top asset managers with assets of over € 470 billion in 2010, and a unique real estate operator with a property portfolio of € 25 billion. With 85,000 employees worldwide and 70 million clients in more than 60 countries, the Group occupies a leadership position on Western European markets and an increasingly important place in Eastern Europe and Asia.